

Loan Management

Before You Borrow

1. Anticipate Your Income

Determining your manageable debt limit first requires knowing what salary range you can expect for your desired career. Average salaries for specific careers in various locations can be researched for no cost at:



2. Know Your Limits

Prevent having to *Face The Red!* Use our Debt-to-Income Ratio Chart to help determine your manageable debt level based on [your realistic salary range](#):

Debt-to-Income Ratio total monthly debt payments / monthly income
*Based on a 6.75% fixed interest rate over standard 30-year repayment period, does not include mortgage

| Annual Income | 10% - Good | | | | | 20% - Recommended Student Loan Limit* | | | | | 30% - Acceptable | | | | | 40% - Challenged | | | | | 50% - Critical | | | | |
|---------------|------------|----------|----------|----------|----------|---------------------------------------|----------|----------|----------|----------|------------------|----------|-----------|-----------|-----------|------------------|-----------|-----------|-----------|-----------|----------------|-----------|-----------|-----------|-----------|
| | \$40,000 | \$45,000 | \$50,000 | \$55,000 | \$60,000 | \$65,000 | \$70,000 | \$75,000 | \$80,000 | \$85,000 | \$90,000 | \$95,000 | \$100,000 | \$105,000 | \$110,000 | \$115,000 | \$120,000 | \$125,000 | \$130,000 | \$135,000 | \$140,000 | \$145,000 | \$150,000 | \$155,000 | \$160,000 |
| \$40,000 | 1.12% | 1.21% | 1.30% | 1.39% | 1.48% | 1.58% | 1.67% | 1.76% | 1.85% | 1.94% | 2.04% | 2.13% | 2.22% | 2.31% | 2.40% | 2.50% | 2.59% | 2.68% | 2.77% | 2.86% | 2.96% | 3.05% | 3.14% | 3.23% | 3.32% |
| \$45,000 | 1.00% | 1.09% | 1.18% | 1.27% | 1.36% | 1.45% | 1.54% | 1.63% | 1.72% | 1.81% | 1.90% | 1.99% | 2.08% | 2.17% | 2.26% | 2.35% | 2.44% | 2.53% | 2.62% | 2.71% | 2.80% | 2.89% | 2.98% | 3.07% | 3.16% |
| \$50,000 | 0.91% | 0.99% | 1.07% | 1.15% | 1.23% | 1.31% | 1.39% | 1.47% | 1.55% | 1.63% | 1.71% | 1.79% | 1.87% | 1.95% | 2.03% | 2.11% | 2.19% | 2.27% | 2.35% | 2.43% | 2.51% | 2.59% | 2.67% | 2.75% | 2.83% |
| \$55,000 | 0.83% | 0.90% | 0.97% | 1.04% | 1.11% | 1.18% | 1.25% | 1.32% | 1.39% | 1.46% | 1.53% | 1.60% | 1.67% | 1.74% | 1.81% | 1.88% | 1.95% | 2.02% | 2.09% | 2.16% | 2.23% | 2.30% | 2.37% | 2.44% | 2.51% |
| \$60,000 | 0.76% | 0.82% | 0.88% | 0.94% | 1.00% | 1.06% | 1.12% | 1.18% | 1.24% | 1.30% | 1.36% | 1.42% | 1.48% | 1.54% | 1.60% | 1.66% | 1.72% | 1.78% | 1.84% | 1.90% | 1.96% | 2.02% | 2.08% | 2.14% | 2.20% |
| \$65,000 | 0.70% | 0.75% | 0.80% | 0.85% | 0.90% | 0.95% | 1.00% | 1.05% | 1.10% | 1.15% | 1.20% | 1.25% | 1.30% | 1.35% | 1.40% | 1.45% | 1.50% | 1.55% | 1.60% | 1.65% | 1.70% | 1.75% | 1.80% | 1.85% | 1.90% |
| \$70,000 | 0.64% | 0.69% | 0.73% | 0.77% | 0.81% | 0.85% | 0.89% | 0.93% | 0.97% | 1.01% | 1.05% | 1.09% | 1.13% | 1.17% | 1.21% | 1.25% | 1.29% | 1.33% | 1.37% | 1.41% | 1.45% | 1.49% | 1.53% | 1.57% | 1.61% |
| \$75,000 | 0.59% | 0.63% | 0.67% | 0.70% | 0.74% | 0.77% | 0.81% | 0.84% | 0.87% | 0.90% | 0.93% | 0.96% | 0.99% | 1.02% | 1.05% | 1.08% | 1.11% | 1.14% | 1.17% | 1.20% | 1.23% | 1.26% | 1.29% | 1.32% | 1.35% |
| \$80,000 | 0.54% | 0.57% | 0.60% | 0.63% | 0.66% | 0.69% | 0.72% | 0.75% | 0.78% | 0.81% | 0.84% | 0.87% | 0.90% | 0.93% | 0.96% | 0.99% | 1.02% | 1.05% | 1.08% | 1.11% | 1.14% | 1.17% | 1.20% | 1.23% | 1.26% |
| \$85,000 | 0.50% | 0.52% | 0.54% | 0.56% | 0.58% | 0.60% | 0.62% | 0.64% | 0.66% | 0.68% | 0.70% | 0.72% | 0.74% | 0.76% | 0.78% | 0.80% | 0.82% | 0.84% | 0.86% | 0.88% | 0.90% | 0.92% | 0.94% | 0.96% | 0.98% |
| \$90,000 | 0.46% | 0.48% | 0.50% | 0.52% | 0.54% | 0.56% | 0.58% | 0.60% | 0.62% | 0.64% | 0.66% | 0.68% | 0.70% | 0.72% | 0.74% | 0.76% | 0.78% | 0.80% | 0.82% | 0.84% | 0.86% | 0.88% | 0.90% | 0.92% | 0.94% |
| \$95,000 | 0.42% | 0.44% | 0.46% | 0.48% | 0.50% | 0.52% | 0.54% | 0.56% | 0.58% | 0.60% | 0.62% | 0.64% | 0.66% | 0.68% | 0.70% | 0.72% | 0.74% | 0.76% | 0.78% | 0.80% | 0.82% | 0.84% | 0.86% | 0.88% | 0.90% |
| \$100,000 | 0.38% | 0.40% | 0.42% | 0.44% | 0.46% | 0.48% | 0.50% | 0.52% | 0.54% | 0.56% | 0.58% | 0.60% | 0.62% | 0.64% | 0.66% | 0.68% | 0.70% | 0.72% | 0.74% | 0.76% | 0.78% | 0.80% | 0.82% | 0.84% | 0.86% |
| \$105,000 | 0.35% | 0.37% | 0.39% | 0.41% | 0.43% | 0.45% | 0.47% | 0.49% | 0.51% | 0.53% | 0.55% | 0.57% | 0.59% | 0.61% | 0.63% | 0.65% | 0.67% | 0.69% | 0.71% | 0.73% | 0.75% | 0.77% | 0.79% | 0.81% | 0.83% |
| \$110,000 | 0.32% | 0.34% | 0.36% | 0.38% | 0.40% | 0.42% | 0.44% | 0.46% | 0.48% | 0.50% | 0.52% | 0.54% | 0.56% | 0.58% | 0.60% | 0.62% | 0.64% | 0.66% | 0.68% | 0.70% | 0.72% | 0.74% | 0.76% | 0.78% | 0.80% |
| \$115,000 | 0.29% | 0.31% | 0.33% | 0.35% | 0.37% | 0.39% | 0.41% | 0.43% | 0.45% | 0.47% | 0.49% | 0.51% | 0.53% | 0.55% | 0.57% | 0.59% | 0.61% | 0.63% | 0.65% | 0.67% | 0.69% | 0.71% | 0.73% | 0.75% | 0.77% |
| \$120,000 | 0.26% | 0.28% | 0.30% | 0.32% | 0.34% | 0.36% | 0.38% | 0.40% | 0.42% | 0.44% | 0.46% | 0.48% | 0.50% | 0.52% | 0.54% | 0.56% | 0.58% | 0.60% | 0.62% | 0.64% | 0.66% | 0.68% | 0.70% | 0.72% | 0.74% |
| \$125,000 | 0.24% | 0.26% | 0.28% | 0.30% | 0.32% | 0.34% | 0.36% | 0.38% | 0.40% | 0.42% | 0.44% | 0.46% | 0.48% | 0.50% | 0.52% | 0.54% | 0.56% | 0.58% | 0.60% | 0.62% | 0.64% | 0.66% | 0.68% | 0.70% | 0.72% |
| \$130,000 | 0.22% | 0.24% | 0.26% | 0.28% | 0.30% | 0.32% | 0.34% | 0.36% | 0.38% | 0.40% | 0.42% | 0.44% | 0.46% | 0.48% | 0.50% | 0.52% | 0.54% | 0.56% | 0.58% | 0.60% | 0.62% | 0.64% | 0.66% | 0.68% | 0.70% |
| \$135,000 | 0.20% | 0.22% | 0.24% | 0.26% | 0.28% | 0.30% | 0.32% | 0.34% | 0.36% | 0.38% | 0.40% | 0.42% | 0.44% | 0.46% | 0.48% | 0.50% | 0.52% | 0.54% | 0.56% | 0.58% | 0.60% | 0.62% | 0.64% | 0.66% | 0.68% |
| \$140,000 | 0.18% | 0.20% | 0.22% | 0.24% | 0.26% | 0.28% | 0.30% | 0.32% | 0.34% | 0.36% | 0.38% | 0.40% | 0.42% | 0.44% | 0.46% | 0.48% | 0.50% | 0.52% | 0.54% | 0.56% | 0.58% | 0.60% | 0.62% | 0.64% | 0.66% |
| \$145,000 | 0.17% | 0.19% | 0.21% | 0.23% | 0.25% | 0.27% | 0.29% | 0.31% | 0.33% | 0.35% | 0.37% | 0.39% | 0.41% | 0.43% | 0.45% | 0.47% | 0.49% | 0.51% | 0.53% | 0.55% | 0.57% | 0.59% | 0.61% | 0.63% | 0.65% |
| \$150,000 | 0.16% | 0.18% | 0.20% | 0.22% | 0.24% | 0.26% | 0.28% | 0.30% | 0.32% | 0.34% | 0.36% | 0.38% | 0.40% | 0.42% | 0.44% | 0.46% | 0.48% | 0.50% | 0.52% | 0.54% | 0.56% | 0.58% | 0.60% | 0.62% | 0.64% |
| \$155,000 | 0.15% | 0.17% | 0.19% | 0.21% | 0.23% | 0.25% | 0.27% | 0.29% | 0.31% | 0.33% | 0.35% | 0.37% | 0.39% | 0.41% | 0.43% | 0.45% | 0.47% | 0.49% | 0.51% | 0.53% | 0.55% | 0.57% | 0.59% | 0.61% | 0.63% |
| \$160,000 | 0.14% | 0.16% | 0.18% | 0.20% | 0.22% | 0.24% | 0.26% | 0.28% | 0.30% | 0.32% | 0.34% | 0.36% | 0.38% | 0.40% | 0.42% | 0.44% | 0.46% | 0.48% | 0.50% | 0.52% | 0.54% | 0.56% | 0.58% | 0.60% | 0.62% |
| \$165,000 | 0.13% | 0.15% | 0.17% | 0.19% | 0.21% | 0.23% | 0.25% | 0.27% | 0.29% | 0.31% | 0.33% | 0.35% | 0.37% | 0.39% | 0.41% | 0.43% | 0.45% | 0.47% | 0.49% | 0.51% | 0.53% | 0.55% | 0.57% | 0.59% | 0.61% |
| \$170,000 | 0.12% | 0.14% | 0.16% | 0.18% | 0.20% | 0.22% | 0.24% | 0.26% | 0.28% | 0.30% | 0.32% | 0.34% | 0.36% | 0.38% | 0.40% | 0.42% | 0.44% | 0.46% | 0.48% | 0.50% | 0.52% | 0.54% | 0.56% | 0.58% | 0.60% |
| \$175,000 | 0.11% | 0.13% | 0.15% | 0.17% | 0.19% | 0.21% | 0.23% | 0.25% | 0.27% | 0.29% | 0.31% | 0.33% | 0.35% | 0.37% | 0.39% | 0.41% | 0.43% | 0.45% | 0.47% | 0.49% | 0.51% | 0.53% | 0.55% | 0.57% | 0.59% |
| \$180,000 | 0.10% | 0.12% | 0.14% | 0.16% | 0.18% | 0.20% | 0.22% | 0.24% | 0.26% | 0.28% | 0.30% | 0.32% | 0.34% | 0.36% | 0.38% | 0.40% | 0.42% | 0.44% | 0.46% | 0.48% | 0.50% | 0.52% | 0.54% | 0.56% | 0.58% |
| \$185,000 | 0.09% | 0.11% | 0.13% | 0.15% | 0.17% | 0.19% | 0.21% | 0.23% | 0.25% | 0.27% | 0.29% | 0.31% | 0.33% | 0.35% | 0.37% | 0.39% | 0.41% | 0.43% | 0.45% | 0.47% | 0.49% | 0.51% | 0.53% | 0.55% | 0.57% |
| \$190,000 | 0.08% | 0.10% | 0.12% | 0.14% | 0.16% | 0.18% | 0.20% | 0.22% | 0.24% | 0.26% | 0.28% | 0.30% | 0.32% | 0.34% | 0.36% | 0.38% | 0.40% | 0.42% | 0.44% | 0.46% | 0.48% | 0.50% | 0.52% | 0.54% | 0.56% |
| \$195,000 | 0.08% | 0.10% | 0.12% | 0.14% | 0.16% | 0.18% | 0.20% | 0.22% | 0.24% | 0.26% | 0.28% | 0.30% | 0.32% | 0.34% | 0.36% | 0.38% | 0.40% | 0.42% | 0.44% | 0.46% | 0.48% | 0.50% | 0.52% | 0.54% | 0.56% |
| \$200,000 | 0.07% | 0.09% | 0.11% | 0.13% | 0.15% | 0.17% | 0.19% | 0.21% | 0.23% | 0.25% | 0.27% | 0.29% | 0.31% | 0.33% | 0.35% | 0.37% | 0.39% | 0.41% | 0.43% | 0.45% | 0.47% | 0.49% | 0.51% | 0.53% | 0.55% |

3. Understand Your Loan

Student loan applicants must complete [Entrance Counseling](#) prior to having a loan disbursed to the student account. This step is both a federal requirement and will also provide an educational foundation on proper loan management. This requirement will be listed on the [Award Letter](#)



applicants receive when being offered a student loan (which happens after you complete the [FAFSA](#)).

Begin
Entrance
Counseling

4. Integrate Your Budget

Student borrowers who have accrued an aggregate student loan debt of \$40,000 or higher will be requested to complete Financial Awareness Counseling at StudentLoans.gov prior to taking out any additional student loans. This type of counseling will test students on their knowledge of their own student loan debt and require them to create a budget-based financial plan to pay off this debt.

Complete
Financial Awareness
Counseling

Know What You Owe

1. Visit and Bookmark NSLDS

Your federal student loan history is tracked on the **National Student Loan Data System (NSLDS)** at NSLDS.ed.gov:

NSLDS STUDENT ACCESS
National Student Loan Data System

You will need your Social Security Number, date of birth, and 4-digit Federal Student Aid Personal Identification Number (PIN) in order to log-in to NSLDS. This PIN is the same 4-digit number used to electronically sign the [FAFSA](#). If you do not have your PIN, you can request a duplicate at PIN.ed.gov.

2. Revisit and Keep Track

Each time a loan is disbursed on your behalf (each applicable semester/term), check NSLDS to ensure accuracy and contact your loan servicer directly if you find any discrepancies. All future federal loan disbursements are reported to NSLDS, typically within 30-60 days of actual disbursement. For the most up-to-date information contact your loan servicer(s) directly, whose name(s) and contact information is located on NSLDS. Once in repayment, your loan servicer(s) should set you up with an online account.



Anticipate Repayment

1. Prepare

Borrowers who are graduating, withdrawing or dropping below half-time status (5 semester credits) must complete [Exit Counseling](#) within 30 days of their enrollment status change. In addition to being a federal requirement, this process will provide an educational foundation on proper loan management.

Complete
Exit
Counseling

Estimate Your Monthly Payments:

Below are some various loan repayment calculators to help you estimate your monthly payments, which will begin when your grace period has ended (lenders/servicers communicate repayment plan options during the grace period or during consolidation). For extensive information on the actual payment plans, jump down to the Repayment Plans section.

- [Standard](#) (10 years)
- [Pay As You Earn](#) (20 years)
- [Income-Based](#) (25 years)

Return of Federal Funds Policy:

Denver Seminary is required to return a portion of federal loan funds for loan recipients who fully withdraw from classes prior to the 60% mark of the semester/term. The portion returned is proportionate to the percentage of the semester completed and the amount of tuition/fees charged by Denver Seminary prior to the withdrawal.

[Read the full Return of Federal Funds Policy](#)

2. Transition

Upon graduating, withdrawing or dropping below half-time status (5 semester credits) will enter a **6-month grace period**, during which the borrower will continue to be in deferment status. The applicable loan servicer will use this period to begin communicating with the borrower in regards to the payment start-date and possible payment plan options.

Only one grace period is given for each loan, which means if it is already used for a previous loan the borrower may be required to start payments immediately after leaving in-school deferment status. Various repayment options are listed at the end of this page.



*NOTE: Some **PLUS Loans** may not have a grace period option, in which case repayment will occur 30 days after graduation or a drop below half-time status. Please contact your lender(s) directly for details. Your lender(s) and their contact information can be found on the [National Student Loan Data System \(NSLDS\)](#).*

3. Repay

It is recommended that you first and foremost contact your lender(s) and ask them specifically about your repayment options, as they will be most effective resource for loan repayment counseling. Your lender(s) will contact you during your 6-month grace period by sending you details such as your repayment date and various repayment options.

[View FastWeb's Repaying Student Loans Quick Reference Guide](#)

Concerned about having trouble repaying your loans? View some strategies and options at [FinAid's Repayment Solutions](#) page. Manageable debt-to-income levels are published on our [Debt-to-Income Ratio Chart](#).

Early Repayment:

There is no penalty to make early payments on your loans. The process to do so must be set up directly through your loan servicer(s) and can often be done electronically. Your servicer and its contact information can be found at www.nsls.ed.gov. NSLDS log-in details can be found above (under the *My Loan Details* section).

Consolidation:

Severe legislative cuts recently made by Congress have made [federal student loan consolidation](#) uneconomical for most lenders. This, combined with the deterioration of the credit market, has caused the majority of lenders to suspend their consolidation programs.

One remaining consolidation option can be found through the federal government at LoanConsolidation.ed.gov. The website [Student Loan Consolidation Path](#) gives an in-depth look at consolidating student loans.

Repayment Plans:

The best information on repayment plans can be found at www.finaid.org, which highlights the following available plans (among others, however these are the most recommended):

- [Standard](#) (10 years)
- [Pay As You Earn](#) (20 years)



- [Income-Based](#) (25 years)

Contact your lender(s) directly to receive counseling on the best option available for your specific situation. Applications can often be completed directly over the phone.

Public Service Loan Forgiveness (PSLF):

The Public Service Loan Forgiveness Program (PSLF) was created to encourage individuals to enter and continue to work full-time in public service jobs. Under this program an eligible federal student loan balance is forgiven after qualified borrowers have made 120 monthly payments (do not need to be consecutive) under either the [Pay As You Earn Repayment Plan \(PAYE\)](#) or the [Income-Based Repayment Plan \(IBR\)](#) while employed full-time by an eligible public service employer or 501(c)3 non-profit organization.

Additional information (including descriptions of eligible positions of employment) is published at studentaid.ed.gov and finaid.org. Borrowers can also call 1-800-4-FED-AID (1-800-433-3243) to speak to a PSLF representative.

[Is the Public Service Loan Forgiveness program right for me?](#)

[PSLF Employment Certification Form](#)

National Health Service Corps (NHSC):

The NHSC offers three loan repayment options for primary care providers who work at approved sites in communities in need: <http://nhsc.hrsa.gov/loanrepayment>

Deferment:

In-School Deferment:

Denver Seminary partners with the [National Student Clearinghouse](#) to automatically place eligible students (at least half-time status, which is 5 semester credits) on in-school deferment status. Reports are sent to the Clearinghouse electronically every 2 weeks, beginning with the first day of each semester/term.

Students with this status qualify for deferment for all existing federal loans (including those obtained at other schools). During this time interest on Subsidized Loans will continue to be subsidized by the Department of Education.

Out-of-School Deferment:

If you expect to have trouble repaying your loans, *any* deferment option is better than [defaulting on your loans](#). Your lender(s) may be able to offer various options such as:



- [Unemployment Deferment](#) (for those working less than half-time)
- [Economic Hardship Deferment](#) (for those more than half-time)
- [Forbearance](#) (for those who don't qualify for a deferment)
- [Working Mother Deferment](#)

Contact your lender(s) directly to receive counseling on the best option available for your situation. Applications can often be completed directly over the phone.